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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/994,810	11/27/2001	Jay S. Walker	01-050	1237

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EXAMINER	
SHERR, CRISTINA O	

ART UNIT	PAPER NUMBER
3621	

DATE MAILED: 10/04/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary	Application No.	Applicant(s)	
	09/994,810	WALKER ET AL.	
	Examiner	Art Unit	
	Cristina Owen Sherr	3621	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on *07/06/06*.

2a)☒ This action is **FINAL**. 2b)☐ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-2, 6- 9, 17, 30-34, 51-61, 76-82, and 84-95* is/are pending in the application.

4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☒ Claim(s) *93* is/are allowed.

6)☒ Claim(s) *1-2, 6- 9, 17, 30-34, 51-61, 76-82, 84-92, and 94-95* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

a)☐ All b)☐ Some * c)☐ None of:

1.☐ Certified copies of the priority documents have been received.

2.☐ Certified copies of the priority documents have been received in Application No. _____.

3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1) ☐ Notice of References Cited (PTO-892)
2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
3) ☐ Information Disclosure Statement(s) (PTO/SB/08) Paper No(s)/Mail Date _____.
4) ☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____.
5) ☐ Notice of Informal Patent Application
6) ☐ Other: _____.

DETAILED ACTION

1. This communication is in response to applicant's amendment filed July 6, 2006. Claims 17, and 80 have been amended. Claims 92-95 have been newly added. Claims 3-5, 10-16, 18-29, 35-50, 62-75, and 83 have been cancelled. Claims 1-2, 6- 9, 17, 30-34, 51-61, 76-82, and 84-95 are currently pending in this case.

Response to Arguments

2. Applicant's arguments, filed July 6, 2006 with respect to the double patenting rejection of claims 1-2, 6- 9, 17, 30-34, 51-61 and 76-82 are persuasive. The double patenting rejection of the said claims has been overcome, through the filing of a Terminal Disclaimer. Thus the double-patenting rejection is hereby withdrawn.

3. Applicant's arguments filed July 6, 2006, with respect to the section 103 rejections have been fully considered but they are not persuasive.

4. With respect to claims 1-2, 6-9, 17 and 30-31, applicants argue that Smith et at does not explicitly teach that the machine stores or retrieves a substitute product identifier for a substitute product, however, in order for the machine to know which products to offer as alternative products for user selections that are not available, it would be necessary to store product identifiers for products that are substitutes or alternatives to other products. Thus, it would have been obvious to one of ordinary skill in the art at the time of applicant's invention that the vending machine taught by Smith et at would store substitute product identifiers for products that would be substitutes to primary products selected by the user so that the machine would know which substitute products to offer the user if the user's primary selection is not available or out of stock.

Smith further does not specifically look at expiration dates. However, it would be obvious that expiration date is a factor in availability of a product. Note that these claims do not incorporate all the limitations with respect to expiration dates describes in claim 13, now canceled. Additionally, indicators of expiration dates of products, as in Rothschild et al (e.g. abstract,) are well-known, and it would be obvious to include such as indicator in determining availability of a product.

5. With respect to claims 7-8, applicants argue that Smith et at does not explicitly teach that recording a value corresponding to the selection of the first product. Attention is directed to Smith et al at Page 8, lines 5-36; Page 26, lines 2-15; Page 35, lines 30-38.

6. With respect to claim 17, applicants argue that the references fail to disclose offering the substitute product to the consumer at a discounted price. Attention is directed to Smith et al at Page 11, lines 5-11; Page 26, lines 26-33.

7. In response to applicant's argument that there is no suggestion to combine the references, the examiner recognizes that obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. See *In re Fine*, 837 F.2d 1071, 5 USPQ2d 1596 (Fed. Cir. 1988)and *In re Jones*, 958 F.2d 347, 21 USPQ2d 1941 (Fed. Cir. 1992). In this case, the explanation of obviousness stands as above, and in the rejections below.

8. In response to applicant's argument that Rothschild is nonanalogous art, it has been held that a prior art reference must either be in the field of applicant's endeavor or, if not, then be reasonably pertinent to the particular problem with which the applicant was concerned, in order to be relied upon as a basis for rejection of the claimed invention. See *In re Oetiker*, 977 F.2d 1443, 24 USPQ2d 1443 (Fed. Cir. 1992). In this case, Rothschild is directed to expiration dates on pericshable products. Smith is directed to vending machines selling, *inter alia*, perishable products. Expiration dates are germaine to both.

9. With respect to claims 32-34, 51-52, 76-82 and 84-91, applicants argue that Smith et al fail to specifically disclose that the substitute product is determined based on a measure of demand for a plurality of products. Levasseur, however, discloses a vending machine that monitors the historical demand over a period of time for various classes of selectable vendable products and allocating the space within the vending machine based on the historical demand (Abstract). It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the method of Smith et al and store product identifiers corresponding to substitute products based on demand since a customer will likely purchase a substitute product that has a high demand.

10. Applicants argue, with respect to claim 91, that the cited references fail to disclose recording a value corresponding to the selection of the first product. Levasseur discloses a vending machine that monitors the historical demand over a period of time for various classes of selectable vendable products and allocating the space within the

vending machine based on the historical demand (Abstract). It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the method of Smith et al and store product identifiers corresponding to substitute products based on demand since a customer will likely purchase a substitute product that has a high demand.

11. With respect to claims 34, 87, and 90 applicant argues that the references fail to teach or suggest offering, in consideration of the consumer's acceptance of the substitute product, the substitute product at a discounted price. Attention is directed to Smith at Page 11, lines 5-11; Page 26, lines 26-33.

Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

5. Claims 1-2, 6-9, 30-31 are rejected under 35 U.S.C. 103(a) as being unpatentable over Smith et al (WO 97/28510), further in view of Rothschild et al (US 5,802,015).

6. Regarding Claims 1, 9, 14

Smith et al disclose an apparatus for dispensing a product from a vending machine that includes a device in communication with the vending machine (Figure 1), storing product information and identifiers in a database (Page 20, lines 15-20; Page 31, lines 34-36), receiving at the processor a selection of the first product from a purchaser and if

the first product is not available, offering a substitute product to the purchaser (Page 6, lines 5-20; Page 7, lines 1-10; Page 26, lines 7-14; Page 27, lines 21-24) and dispensing the substitute product (Page 19, lines 21-27). Smith et at does not explicitly teach that the machine stores or retrieves a substitute product identifier for a substitute product, however, in order for the machine to know which products to offer as alternative products for user selections that are not available, it would be necessary to store product identifiers for products that are substitutes or alternatives to other products. Thus, it would have been obvious to one of ordinary skill in the art at the time of applicant's invention that the vending machine taught by Smith et at would store substitute product identifiers for products that would be substitutes to primary products selected by the user so that the machine would know which substitute products to offer the user if the user's primary selection is not available or out of stock. Smith further does not specifically look at expiration dates. However, it would be obvious that expiration date is a factor in availability of a product. Note that these claims do not incorporate all the limitations with respect to expiration dates describes in claim 13, now canceled. Additionally, indicators of expiration dates of products, as in Rothschild et al (e.g. abstract,) are well-known, and it would be obvious to include such as indicator in determining availability of a product.

7. Regarding claim 2

Smith et al further disclose receiving an amount of money from a purchaser (Page 10, lines 7-11; Page 11, lines 18-23; Col. 14, lines 11-25).

8. Regarding claim 6

Smith et al further disclose determining the availability of the first product (Page 6, lines 5-20; Page 7, lines 1-10; Page 26, lines 7-14; Page 27, lines 21-24).

9. Regarding claim 7

Smith et al further disclose recording a value corresponding to the selection of the first product (Page 8, lines 5-36; Page 26, lines 2-15; Page 35, lines 30-38).

10. Regarding claim 8

Smith et al further disclose wherein the value includes one of a first product identifier corresponding to the first product, a timer the first product was selected, a date the first product was selected and an availability of the first product (Page 8, lines 5-36; Page 26, lines 2-15; Page 35, lines 30-38).

11. Regarding claim 17

Smith et al further disclose offering the substitute product to the consumer at a discounted price (Page 11, lines 5-11; Page 26, lines 26-33).

12. Regarding claims 30-31

Smith et al further disclose wherein the first product and the substitute product is a service (Page 8, lines 15-38; Page 11, lines 31-35; Page 12, lines 22-30; Page 14, lines 10-15).

13. Claims 32-34, 51-52, 76-82, 84-91 and 95 are rejected under 35 U.S.C. 103(a) as being unpatentable over Smith et al, WO 97!28510, published 07 August 1997, in view of Levasseur, U.S. Patent No. 5,029, 098.

14. Regarding claims 32, 84-91, and 95

Smith et al fails to explicitly disclose determining substitute products for a first product and storing for the first product, a substitute product identifier corresponding to the substitute product, however, in order for the machine to know which products to offer as alternative products for user selections that are not available, it would be necessary to store product identifiers for products that are substitutes or alternatives to other products. Thus, it would have been obvious to one of ordinary skill in the art at the time of applicant's invention that the vending machine taught by Smith et al would store substitute product identifiers for products that would be substitutes to primary products selected by the user so that the machine would know which substitute products to offer the user if the user's primary selection is not available or out of stock. Smith et al further disclose a computerized method of dispensing a product from a vending machine that includes a processor comprising measuring a demand for each of a plurality of products stored in the machine (Page 8, lines 5-36; Page 26, lines 215; Page 35, lines 30-38), however, Smith et al fail to specifically disclose that the substitute product is determined based on a measure of demand for a plurality of products. Levasseur discloses a vending machine that monitors the historical demand over a period of time for various classes of selectable vendable products and allocating the space within the vending machine based on the historical demand (Abstract). It would have been obvious to one of ordinary skill in the art at the time of applicant's invention to modify the method of Smith et al and store product identifiers corresponding to substitute products based on demand since a customer will likely purchase a substitute product that has a high demand.

15. Regarding claim 33

Smith et al disclose an apparatus for dispensing a product from a vending machine that includes a device in communication with the vending machine (Figure 1), storing product information and identifiers in a database (Page 20, lines 15-20; Page 31, lines 34-36), receiving at the processor a selection of the first product from a purchaser and if the first product is not available, offering a substitute product to the purchaser (Page 6, lines 5-20; Page 7, lines 1-10; Page 26, lines 7-14; Page 27, lines 21-24) and dispensing the substitute product (Page 19, lines 21-27). Smith et at does not explicitly teach that the machine stores or retrieves a substitute product identifier for a substitute product, however, in order for the machine to know which products to offer as alternative products for user selections that are not available, it would be necessary to store product identifiers for products that are substitutes or alternatives to other products. Thus, it would have been obvious to one of ordinary skill in the art at the time of applicant's invention that the vending machine taught by Smith et at would store substitute product identifiers for products that would be substitutes to primary products selected by the user so that the machine would know which substitute products to offer the user if the user's primary selection is not available or out of stock.

16. Regarding claim 34

Smith et al further disclose offering the substitute product to the consumer at a discounted price (Page 11, lines 5-11; Page 26, lines 26-33).

17. Regarding claims 51-52

Smith et al further disclose wherein the first product and the substitute product is a service (Col. 8, lines 15-38; Col. 11, lines 31-35; Col. 12, lines 22-30; Col. 14, lines 10-15).

18. Claims 76-81 are rejected under the judicially created doctrine of obviousness-type double patenting as being unpatentable over claim 1 of U.S. Patent No. 6,324,520 B1. Although the conflicting claims are not identical, they are not patentably distinct from each other. Smith et al further disclose wherein the device is operable to receive data via the network and display to a purchaser data received via the network (Figure 1; Col. 9, lines 14-38; Col. 17, lines 1-30). Please note that claim 80 appears to depend from itself. For purposes of examination, claim 80 is being read as depending on claim 79. Appropriate correction is required.

19. Regarding claim 82 -

Smith et al further disclose receiving input from a purchaser via a touch screen (Page 23, lines 1-10).

Claim Rejections - 35 USC § 112

20. The following is a quotation of the first paragraph of 35 U.S.C. 112:

> The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

21. Claim 92 is rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one

skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention. In this case, nothing in the specification refers to upsell prices or round-up prices.

22. Claim 95 is rejected under 35 U.S.C. 112, first paragraph, as failing to comply with the written description requirement. The claim(s) contains subject matter which was not described in the specification in such a way as to reasonably convey to one skilled in the relevant art that the inventor(s), at the time the application was filed, had possession of the claimed invention. In this case, nothing in the specification refers to operator access codes.

Allowable Subject Matter

23. Claim 93 is allowable in view of the approved terminal disclaimer.

24. Examiner's Note: Examiner has cited particular columns and line numbers in the references as applied to the claims below for the convenience of the applicant. Although the specified citations are representative of the teachings in the art and are applied to the specific limitations within the individual claim, other passages and figures may apply as well. It is respectfully requested that the applicant, in preparing the responses, fully consider the references in entirety as potentially teaching all or part of the claimed invention, as well as the context of the passage as taught by the prior art or disclosed by the examiner.

Conclusion

25. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

26. Levasseur [4,359,147] discloses a means to control vending functions and teaches the capability for the customer to make alternate selections when the primary selection is not available

27. Paganini et al disclose a method and apparatus for detecting the presence and movement of a user within a defined area in the proximity of a user device or teller machine

28. Levasseur [4,478,353] discloses a vendor control system and teaches the capability for the customer to make alternate selections when the primary selection is not available

29. Abraham et al disclose a system that checks brands of articles in a vending machine which are being dispensed more frequently indicating a higher demand for those articles

31. Hayashi et al disclose a control and monitoring apparatus for vending machines and teach monitoring sales management data to determine the number of products sold to understand customer demand for products.

32. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

33. A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not

mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

34. Any inquiry concerning this communication or earlier communications from the examiner should be directed to Cristina Owen Sherr whose telephone number is 571-272-6711. The examiner can normally be reached on 8:30-5:00 Monday through Friday.

35. If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Andrew J. Fischer can be reached on 571-272-6779. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

36. Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000. Page 14

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